

## Cohasset Savings Invests Assets Locally

Cohasset Savings Bank has invested nearly 80 per cent of its total assets in real estate and mortgage loans right in its own deposit community, helping homeowners, businesses and individuals to finance their purchases, officers of the bank reported at a recent dinner meeting of Corporators and Trustees held at the Cohasset Legion Post quarters.

"We believe the record of Cohasset Savings shows that it is carrying out a principal function of a mutual savings bank which is to put the depositors' money to work for the benefit of their neighbors," Osborne F. Ingram, president, told the group. "At present we have over \$22 million invested in local real estate and personal loans, helping the bank to do the other part of its job, to earn a return for depositors on their savings."

The program of the meeting focused on the bank's use of its depositors' money through investments in mortgages and personal loans. An earlier meeting centered on the source of the bank's funds through 11 types of savings accounts. A future meeting will discuss the bank's investments in securities.

Robert Wagner, vice president and mortgage officer of the bank, reported that Cohasset Savings now has over \$20 million invested in approximately 900 individual residential properties. Virtually all of the mortgages are of the 20-30 year level monthly payment amortizing type.

In recent years, he pointed out, the proportion of bank funds going into real estate loans has risen from about 60 per cent to approximately 70 per cent of assets. There has been a proportionate decline in the amount invested in securities.

A combination of non-availability of funds and the legal ceiling on the percentage of deposits going into mortgages, has kept Cohasset Savings out of the mortgage market

### Merchant Aid

Local merchants have once again donated prizes and gift certificates to help promote this early spring happening which starts and finishes at the Cohasset Village Green. Interested participants should write to the Cohasset Jaycees, P.O. Box 69, Cohasset, Ma. 02025 for applications.

recently, but Mr. Wagner said he anticipated that increased deposits will soon make possible the resumption of mortgage lending.

He stressed that Cohasset Savings felt it could offer much quicker decisions on mortgage applications than larger city banks because bank officers are thoroughly familiar with local property values. The bank, he pointed out, also is a member of a credit information network that enables it to get a credit check on loan applications in a matter of minutes.

In addition to the residential real estate loans, Mr. Wagner reported that Cohasset Savings has made substantial commercial real estate loans to a number of local businesses.

"Right now," he said, "we have nearly \$500,000 invested in five successful Cohasset businesses that employ over 120 people and have total annual payrolls of nearly \$1 million. We believe that is another example of how depositors' money is put to work for the benefit of our community."

Margaret Santacroce, Assistant Treasurer, reported on the bank's activity in making personal loans, noting that the bank currently has \$2.1 million now invested in collateral loans on passbooks or securities, in automobile loans, in unsecured personal loans and in home improvement loans. The total represents nearly 8 percent of the bank's total assets and is an area which has developed over the past seven or eight years.

"We are not allowed by law to invest more than 20% of our deposits in personal loans, which means that we could increase our total now to \$5 million," Miss Santacroce said.

She pointed out that one advantage to a bank in personal loans is that there is a relatively fast turnover since the terms are much shorter than those of real estate loans. This permits an adjustment of rates to the current market. Cohasset Savings' loan rates, she said, are competitive with those of other lending institutions and all include a life insurance coverage.

Outlining the procedure for servicing the loans, Miss Santacroce reported that during 1978 the bank made 477 personal loans totalling \$1.4 million, charged off \$12,000, but made subsequent recovery of \$9,000, so that the net loss to bad debts was only \$3,000.



**LONELY SPOT** — Larry Evans, one of standouts on CHS hockey team the past season, is caught in what definitely isn't the winner's circle, namely the penalty box or Bastille, as it unfondly is called.

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